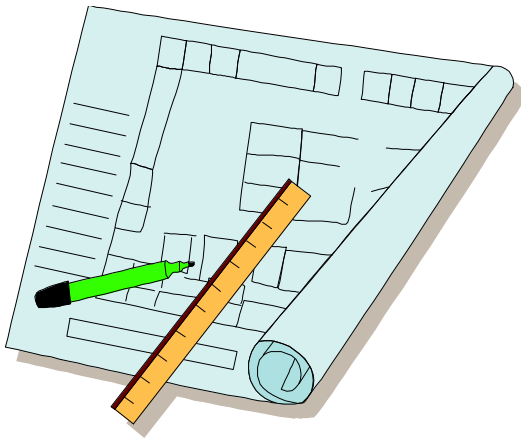


STATE OF LOUISIANA  
DIVISION OF ADMINISTRATION  
OFFICE OF COMMUNITY DEVELOPMENT

# ENGINEERING FEE SCHEDULES AND POLICIES FOR THE LCDBG PROGRAM



OCTOBER 1999

## ENGINEERING FEE SCHEDULES AND POLICIES FOR LCD BG PROJECTS

**NOTE:** Only funded projects are eligible for reimbursement of engineering fees, including application assistance.

### PRE-AGREEMENT COSTS (ENGINEERING)

A flat fee of \$2,500 will be allowed for the engineering work necessary to complete the LCD BG Application. This will include the development of the project description, preparation of the cost estimate, and certification of violations. Also included is at least one site visit.

### BASIC SERVICES

Basic services will be contracted as a lump sum; however, the maximum allowable fees for the LCD BG Program will be calculated based on a percentage of the estimated construction cost. The revised fee percentages are as follows:

Basic Services Table

Estimated Construction Cost	Basic Services Fee Percentage
\$0 - \$30,000	14.6%
\$40,000	14.1%
\$50,000	13.6%
\$60,000	13.2%
\$70,000	12.9%
\$80,000	12.6%
\$90,000	12.3%
\$100,000	12.0%
\$200,000	11.0%
\$300,000	10.3%
\$400,000	9.8%
\$500,000	9.3%
\$600,000	8.8%
\$700,000	8.6%
\$800,000	8.4%
\$900,000	8.2%
\$1,000,000	8.0%

This fee will be the engineer's compensation for providing engineering services traditionally known as "basic services" found in standard engineering contracts from the preliminary design phase through the postconstruction phase. The following services will also be considered as basic services with compensation included in the fee:

1. Services to make measured drawings or to investigate existing conditions or facilities, or to verify the accuracy of drawings or other information furnished by the Grantee.
2. Redesigning to reduce project costs to within available funds.
3. Rebidding contracts.
4. Preparing documents for alternate bids.
5. Determining the acceptability of substitute materials and equipment
6. Services in making revisions to drawings and specifications occasioned by the acceptance of substitute materials or equipment
7. Evaluating claims by the contractor.
8. Services in connection with preparing and furnishing to the Grantee a set of reproducible Project Record Drawings (As-Built Drawings) showing appropriate record information based on project documentation.
9. Surveying for the purposes of design except as provided in the "Eligible Additional Services" section.

#### NO N-ELIGIBLE ADDITIONAL SERVICES

Services customarily referred to as additional services that will not be eligible for payment under the LCD BG Program include, but are not limited to:

1. Services required as a result of the Grantee's providing incomplete or incorrect project information.
2. Providing renderings or models.
3. Services (which are not part of basic services) during out of town travel required of the engineer other than for visits to the site or Grantee's office.
4. Providing construction phase services beyond the contract time unless liquidated damages are assessed.
5. Additional or extended services during construction made necessary by a significant amount of defective, neglected, or delayed work by the contractor.
6. Additional or extended services during construction made necessary by the acceleration of the progress schedule involving services beyond normal working hours.

Other additional services may not be eligible for payment under the LCD BG Program. The eligibility for payment for these services will be considered on a case by case basis.

#### ELIGIBLE ADDITIONAL SERVICES

Additional services that are eligible for payment under the LCD BG Program include, but are not limited to:

1. Providing property surveys.
2. Providing construction staking to enable the contractor to perform the work.

3. Providing extensive topographic surveying necessary for design purposes.

Compensation for additional services must be requested in the LCD BG Application. **The amount of compensation and a written justification for the additional service must be included in the cost estimate portion of the LCD BG Application. The Office of Community Development will evaluate the necessity and eligibility of the requested additional service and may disallow or limit the amount of compensation based on the results of the evaluation.**

Other additional services may be eligible for payment under the LCD BG Program. The eligibility for payment for these services will be considered on a case by case basis.

#### FIRE TRUCK ACQUISITION

The new procedures for acquiring fire trucks, described in the Procedure Manual dated August 1999 prepared by the Office of Community Development are in force. These procedures do not require the competitive bidding of used fire trucks. Therefore, no performance specifications or bid documents will need to be prepared and no engineering services associated with the bidding phase will need to be performed. The Grantee may request that the engineer assist in the inspection of used fire trucks once the trucks have been delivered. If so, a nominal fee will be allowed for this service.

New fire truck acquisition does require the preparation of performance specifications and requires that trucks furnished meet the specifications. The new procedures do not require that the new fire trucks be advertised for bids by a local governing body. The entire bidding procedure will be handled by the Division of Administration, Office of State Purchasing. Allowable engineering fees for the acquisition of new fire trucks will be \$2,000 for the first of each type of truck and \$500 for each additional truck.

#### RESIDENT PROJECT REPRESENTATIVE

The engineer shall furnish a Resident Project Representative (RPR), assistants, and other field staff to assist the engineer in observing the progress and quality of the work. **The RPR shall be under the engineer's supervision and shall be a member of the engineer's staff or a contract employee. In either case, the engineer shall attest to the RPR's qualifications and abilities to perform the appropriate duties and responsibilities. A copy of the RPR's current resume showing his qualifications and work history must be submitted to the Office of Community Development before construction begins.**

The fee for the RPR is to compensate for the effort necessary to ensure that the construction project is properly and adequately inspected. As part of his duties, the RPR will prepare reports recording, at a minimum, the following information: project name, contractor's name, date, weather conditions, contractor's work force (indicating work classifications), equipment (in use or idle), quantities of pay items installed, deficiencies in materials or

work, general observations, summary of construction activities, and RFR's signature. Each report shall be **completely** filled out.

Furnishing a RFR does not relieve the engineer of the responsibility of making visits to the site at intervals appropriate to the various stages of construction.

RFR services will be contracted as a lump sum; however, the maximum allowable fees for the LCD BG Program will be calculated based on a percentage of the estimated construction cost. The revised fee percentages are as follows:

RFR Services Table

Estimated Construction Cost	RFR Services Fee Percentage
\$100,000 or less	5.0%
\$200,000	4.6%
\$300,000	4.3%
\$400,000	4.1%
\$500,000	3.9%
\$600,000	3.8%
\$700,000	3.7%
\$800,000	3.6%
\$900,000	3.5%
\$1,000,000	3.4%

On projects involving a significant amount of pipe installation, i.e. water distribution systems and sewer collection systems, the RFR fees will be eligible to be increased. This is being done to compensate for the added inspection effort made necessary by the nature of the work. The fee or portion of the fee associated with pipe installation will be multiplied by a factor of 1.35.

Example: The project involves the construction of a new sewer collection system and small treatment plant. Estimated construction costs are \$500,000 for the collection system and \$200,000 for the treatment plant. To find the RFR fee, first calculate the fee based on the total estimated construction amount, \$700,000. In the table above the corresponding percentage is 3.7. The base fee is  $\$700,000 \times 0.037 = \$25,900$ . Next, by ratio and proportion, calculate the amount of the base fee attributed to the collection system and the treatment plant. For the collection system:  $\$500,000 / \$700,000 \times \$25,900 = \$18,500$ . For the treatment plant:  $\$200,000 / \$700,000 \times \$25,900 = \$7,400$  (or  $\$25,900 - \$18,500 = \$7,400$ ). The amount subject to the increase is the amount attributed to the collection system. The adjusted fee for the collection system =  $\$18,500 \times 1.35 = \$24,975$ . The total RFR fee is  $\$24,975 + \$7,400 = \$32,375$ .

On projects involving water wells or ground storage tanks, the fee (or applicable portion) will be as per the RFR Services Table up to a maximum of \$7,500 for each well or tank.

On projects involving elevated storage tanks, the fee (or applicable portion) will be as per the RFR Services Table up to a maximum of \$12,000 for each tank. The fee for paint inspection shall be included herein.

#### PLANS AND SPECIFICATIONS SUBMITTED WITH THE LCD BG APPLICATION

The plans and specifications submitted with the LCD BG Application should be complete and ready to be advertised for bids. A fee for basic services will be calculated using the method described in the "Basic Services" section. Thirty percent of this fee will be allowed for basic services attributed to the bidding, construction, and postconstruction phases. A fee for construction taking will be allowed as described in the "Eligible Additional Services" section. The fee for furnishing a resident project representative will be calculated as described in the "Resident Project Representative" section.

#### TESTING

It shall be the responsibility of the Grantee to provide the services of an independent testing laboratory to perform all inspections, tests and approvals of samples, materials and equipment required by the contract documents. Assistance provided by the engineer to the Grantee in the selection of the testing laboratory is to be compensated under basic services. The engineer will estimate the cost of testing services in the LCD BG Application and will include a written justification for the service. The Office of Community Development will reimburse the Grantee for the actual invoice costs of the testing services up to the maximum amount allowed.

#### PERMITS

Reimbursement will be made to the Grantee for the actual cost of any necessary permits. The engineering work required for permit applications is included in the compensation for basic services.

#### APPLICATION LINE ITEMS FOR ENGINEERING COSTS

Each engineering service should be shown on the cost estimate of the LCD BG Application as a separate line item. Typical services include basic engineering, inspection, surveying (topographic), surveying (property acquisition), construction taking, and testing. Written justification must be provided for all engineering services other than basic engineering and inspection. The justification is to contain an explanation of how the proposed fee was derived.